

**§ 203.443 Insurance premium.**

All of the provisions of §§ 203.260 through 203.269<sup>1</sup> concerning mortgage insurance premiums, apply to loans insured under § 203.50.

[47 FR 30753, July 15, 1982]

**§ 203.457 Voluntary termination of contract.**

Upon request by the borrower and lender the Commissioner may terminate the insurance contract on the loan. The lender shall cancel the insurance endorsement on the insurance certificate or note upon receipt of notice from the Commissioner that the contract of insurance is terminated.

[37 FR 8662, Apr. 29, 1972]

**§ 203.458 Termination by prepayment of loan.**

The contract of insurance shall be terminated if the loan is paid in full prior to its maturity.

**§ 203.459 Notice of termination by lender.**

No contract of insurance shall be terminated until the lender has given written notice thereof to the Commissioner within 15 calendar days from the occurrence of one of the approved methods of termination set forth in this subpart.

[45 FR 31716, May 14, 1980]

**§ 203.462 Pro rata payment of premium before termination.**

No contract of insurance shall be terminated until the lender has paid to the Commissioner the pro rata portion of the current annual insurance premium.

**§ 203.463 Notice and date of termination by Commissioner.**

The Commissioner shall notify the lender that the contract of insurance has been terminated and the effective termination. The termination date shall be the last day of the month in which:

- (a) The loan was prepaid; or
- (b) A voluntary termination request is received by the Commissioner, or

<sup>1</sup>Section 203.269 was removed at 48 FR 35089, Aug. 3, 1983.

(c) The contract of insurance is otherwise terminated with the consent of the Commissioner.

**§ 203.464 Effect of termination.**

Upon termination of the contract of insurance, the obligation to pay any subsequent insurance premium shall cease and all rights of the borrower and lender shall be terminated.

**§ 203.466 Definition of default.**

If the borrower fails to make any payment, or to perform any other obligation under the loan and such failure continues for a period of 30 days, the loan shall be considered in default for the purposes of §§ 203.440 *et seq.*

**§ 203.467 Date of default.**

For the purposes of §§ 203.440 *et seq.* the date of default shall be considered as 30 days after—

- (a) The first uncorrected failure to perform any obligation under the loan, or
- (b) The first failure to make a monthly payment which subsequent payments by the borrower are insufficient to cover when applied to the overdue monthly payment in the order in which they became due.

**§ 203.468 Notice of default.**

The lender shall, within 60 days after default as defined in §§ 203.440 *et seq.*, give written notice thereof to the Commissioner, unless such default has been cured or unless the Commissioner has been notified of a previous default which remains uncured.

**§ 203.469 Reinstatement of defaulted loan.**

If after default and prior to assignment by the lender of the loan to the Commissioner, the borrower shall pay to the lender all monthly payments in default, written notice shall be given to the Commissioner within 30 days and the insurance shall continue as if such default had not occurred.

**§ 203.471 Special forbearance.**

If the mortgagee finds that a default is due to circumstances beyond the mortgagor's control, as defined by the Secretary, the mortgagee may grant